



Health care in the state budget

For years, Washington's surging economy and increased tax revenues facilitated enhanced access and expansion of state-subsidized health care programs. Past policies expanded those programs. The Office of Financial Management tells us that in the last 20 years our population has grown by 41 percent while Medicaid assistance caseloads have grown by 168 percent.

Today, our economy is struggling, revenues are short, and the health services account, which subsidized the Basic Health Plan, faces a \$540 million deficit. We are confronted with the reality that Washington created a government-subsidized health care system it cannot afford.

We must live within our means -- define our needs within the revenues we have. The following are guiding principles I highly recommend for the health care decision-making process.

- ◆ **Know the past.** There is a tendency for the Legislature to treat each new session as a blank slate, unaware of or indifferent to established policies and programs. Before we consider new ideas, we must thoroughly understand existing programs and policies, the rationale behind them, and how well they have achieved their intended results.
- ◆ **Establish a balance.** Health care challenges us with the difficult task of balancing cost, quality and access. As stated previously, for years, Washington's surging economy and increased tax revenues facilitated policies that enhanced access and expansion of state-subsidized health care programs. Those policies must be revisited and re-evaluated. If cutting expenditures is a priority, which it has to be, we must explicitly establish a balance between these competing interests, tempering our wishes with a strong dose of reality.
- ◆ **Don't make policies in a vacuum.** The Legislature's job would be much easier if the only role of the health care system was to maintain and improve health. That, however, is not the case. Health care plays an important role in state and local economies, particularly in rural areas. In our efforts to provide quality care at an affordable price, we run the risk of creating new problems while attempting to solve the old. The Legislature must be sensitive to ramifications its decisions have beyond health care.
- ◆ **Embrace ideas.** We should look at the big picture and identify and evaluate all possible options relative to established goals. While some ideas will be rejected over others, each is an opportunity and deserves consideration.

- ◆ **Look long-term.** The current budget places pressure on the Legislature to adopt quick fixes, offering immediate relief from the ills of the state's health care system. While some fixes are necessary, and many appropriate, we must be cautious about strategies that provide short-term benefits and long-term costs. We must not create, nor put off, problems that will only be more difficult to address in years to come, or ignore a strategy because its benefits are not immediate. We now must face up to the difficult task of addressing the immediate crisis and begin to address the long-term stability and viability of the health care system in this state.

This session, our health care goals should be to receive the most benefit at the lowest cost for the greatest amount of people in the most compassionate way. It won't be easy.

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Sen. Parlette serves on the Senate Health and Long-Term Care Committee and the Senate Ways and Means Committee. She is also a registered pharmacist.

For more information contact Tami Davis (360) 786-7519 or davis_ta@leg.wa.gov

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